

SaskWater Buffalo Pound Non-Potable Water Supply System East (Yancoal) Feasibility Study

October 2015 Update

Project Description

SaskWater is conducting a feasibility study to develop a non-potable water supply pipeline for a potash mine near Southey, Saskatchewan, proposed by Yancoal Canada Resources Co. Ltd. The pipeline will be approximately 100 kilometers in length and connect to SaskWater's Buffalo Pound Non-Potable Water Supply System - East: Regional Expansion Project south of Buffalo Pound Lake.

SaskWater's goal is to have a pipeline project that reduces or avoids impacts to the environment; has general acceptance from affected stakeholders; builds a long term relationship with landowners; and provides a reliable service to its customers.

Project Activities

Current activities include identifying a preferred pipeline route in consultation with stakeholders and the general public. In developing route options, SaskWater considers:

- Public and stakeholder input
- Environmental, archaeological, and socio-economic values related to land use and infrastructure
- Previously disturbed areas, where practical, including existing utility rights-of-way
- Economic impact related to construction as well as operations and maintenance costs
- Constructability related to topography, soil stability, wetlands and watercourses

Aboriginal, Public & Stakeholder Engagement

Seeking input from landowners, Aboriginal communities, provincial and municipal officials, other affected stakeholders, and the public is critical to the success of this feasibility study. In

addition to sharing project information with stakeholder groups, an initial open house was held in Craven on August 13. Poster boards explaining the feasibility study, regulatory process and current corridor options were displayed, and staff were present to engage with attendees and answer questions.

Next Open House

Tuesday, December 1, 2015

4:00 – 8:00 p.m.

Lumsden Elementary School

200 Broad Street

Lumsden, Saskatchewan

During the December 1 open house, route options shown in this information bulletin will be displayed and discussed. In addition, a number of stakeholder meetings will be held in the coming months. To request a meeting with your group, contact SaskWater at 306.694.3098 or majorprojects@saskwater.com

Mitigating Environmental Impact

SaskWater's proposed pipeline will undergo environmental surveys and a plan will be developed to reduce or avoid impacts to rare and endangered species, environmentally sensitive areas such as wetlands or native prairie, and heritage resources. A Technical Project Proposal will be submitted to the Ministry of Environment as per Saskatchewan's *Environmental Assessment Act*.

To reduce or avoid fragmentation of the landscape, SaskWater attempts to follow existing or proposed disturbances such as linear projects or other developments.



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Proposed Project Schedule

	Key Milestones	Proposed Completion Date
Phase 1	Alternative Corridor Selection	June – August 2015
	RM and Aboriginal Community Officials Meetings	July – October 2015
	Environmental Field Study Program 2015	July – October 2015
	1 st Open House	August 2015
	Route Refinements based on Feedback	September 2015
	2 nd Open House	December 1 2015
	Preliminary Engineering Design and Route Refinements to Select a Preferred route	August – December 2015
	Environmental, Heritage, & Geotechnical Study Program on Preferred Route	April – June 2016
Phase 2 (Not Approved)	Submission of Technical Project Proposal to Ministry of Environment	July 2016
	Detailed Engineering (Subject to Easement Acquisition)	July 2016 – February 2017
Phase 3 (Not Approved)	Easement Acquisition	July 2016 – May 2017
	Procurement	November 2016 – June 2017
	Construction	June 2017 – July 2019

Frequently Asked Questions

How does this Project relate to the Buffalo Pound Regional Water Supply System?

The BPNPWSS – East (Yancoal) project is a branch of the Buffalo Pound Regional water supply system project, which was approved by the Minister of Environment with water rights license granted in March 2015. For more information, see the Government of Saskatchewan website: <http://environment.gov.sk.ca/ea2013-002>

How do you determine the pipeline route?

A comprehensive routing process began in the spring of 2015. It considers environmental, technical, and land use constraints to identify potential routing corridors for the pipeline from the tie-in at the Buffalo Pound regional system mainline to the proposed mine site. Routing considerations aim to reduce or avoid potential effects to environmental and heritage resources and residential areas as much as possible.

What do you mean by minimal environmental impacts?

The pipeline will be buried 3 m deep allowing landowners to continue using the land for crops or as pasture. Other than a few small manhole structures along the pipeline right-of-way, the land will be returned to its current use. Environmental surveys are being conducted and results reviewed to confirm that these areas were not occupied by listed or sensitive species. An environmental monitor will be present to monitor construction activities to ensure protective measures outlined in the Environmental Protection Plan are followed.

What will be done to protect the valley stability as slumping is an issue here?

SaskWater is committed to maintaining the integrity of the valleys crossed and the proposed pipeline. Geotechnical experts are examining the valley, and crossing locations will be selected based upon their findings as well as environmental, engineering and land access considerations. Industry standard best practices will be adhered to during each phase of the proposed project.



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How do we know our groundwater will be protected?

The proposed project will avoid impacts to aquifers and wells through proper pipeline placement and adhering to measures outlined in the Environmental Protection Plan.

What is the Water Security Agency's role in the project?

The Water Security Agency (WSA) determines water availability and licenses the use of water supplies in Saskatchewan. The WSA considers the implications of using a non-potable water source, and may approve a volume of water that can be withdrawn without resulting in negative impacts to the surrounding environment, including any mitigating actions. The WSA manages the watershed in which the project is located, and they are also responsible for issuing water rights licenses to any and all end users. SaskWater will build, own and operate the facility in accordance with all legislation and regulations.

What approvals are still pending before construction can begin?

Provincially, SaskWater will submit a Technical Project Proposal to the Ministry of Environment (MOE), Environmental Assessment (EA) branch, for review and approval. Federally, an approval from the Fisheries and Oceans (DFO) Canada may be required, pending findings of field surveys.

Will there be an opportunity for agricultural producers, Towns or RMs to access non-potable water from this pipeline too?

The proposed water pipeline is being designed to meet current water demands, but is scalable and expandable to meet potential future demands. SaskWater will consider additional connections. Any proposals can be discussed with SaskWater's Business Development Unit.

How will this project benefit the public sector?

The proposed project will support potash development that will contribute to further job creation, the purchase of local supplies and services, taxes paid to municipalities, long term royalties to Saskatchewan tax payers, and local sponsorships aimed at community needs. The project will provide short-term (~ two years) stimulus to the local economy during construction.

How will my feedback be considered?

SaskWater and its consultants are documenting feedback from public and stakeholder engagement activities. This information is being considered during the route selection process and will be included as a critical part of the Technical Project Proposal for submission to the Ministry of Environment.

Why Here?

Since the 1st open house, SaskWater has been working with the environmental, engineering, geotechnical, land and engagement teams to identify potential routes to present to the public and stakeholders for consideration. Using available information, several optional routes were developed. Please see the following page for the map of three routes options proposed for further consideration.

The proposed route options (Options L, M, and N) are based on several important criteria that influence where a pipeline can be built and must be balanced where there are trade-offs. These criteria include:

- where the terrain can safely support the construction of a pipeline
- where routes have less impact on landowners
- where impacts to the environment will be reduced or avoided

Next Steps

SaskWater will host the 2nd open house in Lumsden on December 1, 2015. The environment, engineering, geotechnical, engagement and land teams will continue to work towards the identification of a feasible route option and the development of a Technical Project Proposal for submission to the Ministry of Environment. Project updates can be found at:

www.saskwater.com/services/doing_business_with_us/industrial.php

Contact Information

If you have any questions about this project please contact:

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